

SPECIAL MEETING
LODI CITY COUNCIL
CITY HALL COUNCIL CHAMBERS
FRIDAY, JULY 8, 1988
7:00 A.M.

Pursuant to State Statutes, the following notice was mailed under Declaration of Mailing to persons listed on Exhibit B hereinafter set forth advising of a Special Meeting of the Lodi City Council to be held on July 8, 1988 at 7:00 a.m.

NOTICE AND CALL OF SPECIAL MEETING
OF THE LODI CITY COUNCIL

TO THE MEMBERS OF THE CITY COUNCIL OF THE CITY OF LODI, CALIFORNIA, AND TO THE CITY CLERK:

NOTICE IS HEREBY GIVEN that a Special Meeting of the City Council of the City of Lodi, California, is hereby called to be held at 7:00 A.M. on Friday, July 8, 1988 in the Council Chambers, City Hall, 221 West Pine Street, Lodi.

Said Special Meeting shall be for the following purposes:

1. To consider alternative funding plans for the expansion of the White Slough Water Treatment Plant.
2. Consider allowing helicopter rides as part of Downtown Days on July 14, 15, and 16, 1988.

Dated: July 6, 1988

s/James W. Pinkerton, Jr.
Mayor

s/Alice M. Reimche
City Clerk

EXHIBIT "B"

Fred M. Reid
1168 Northwood
Lodi, CA 95240

John R. Snider
2328 Brittany Lane
Lodi, CA 95240

David M. Hinchman
1131 South Pleasant Avenue
Lodi, CA 95240

James W. Pinkerton
916 West Turner Road
Lodi, CA 95240

Evelyn M. Olson
730 West Lodi Avenue
Lodi, CA 95240

KCVR Radio
P. O. Box 600
Lodi, CA 95241

KSTN Radio
3171 Ralph Avenue
Stockton, CA 95206

City Clerk
City of Lodi

Community Development Director
City of Lodi

Lodi News Sentinel
Attn: Scott McFetridge
125 North Church Street
Lodi, CA 95240

King Videocable
Attn: Ms. Deanna Enright
1521 South Stockton Street
Lodi, CA 95240

Julia Prodes
Stockton Record
235 South Hutchins Street
Lodi, CA 95240

Lodi Magazine
P. O. Box 648
Lodi, CA 95241

City Manager
City of Lodi

Assistant City Manager
City of Lodi

City Attorney
City of Lodi

Public Works Director
City of Lodi

Continued July 8, 1988

ROLL CALL

Roll was recorded by the City Clerk as follows:

Present: Council Members - Hinchman, Olson (arrived 7:02 a.m.), Snider and Pinkerton (Mayor)

Absent: Council Members - Reid

ALTERNATIVE FUNDING
PLANS PRESENTED FOR
THE EXPANSION OF
WHITE SLOUGH WATER
TREATMENT PLANT

CC-51(f)
CC-190

The following funding alternatives for the expansion of the White Slough Water Treatment Plant were presented by City Manager Peterson for City Council review. A lengthy discussion followed regarding the subject alternatives with questions being directed to staff.

Financing Alternatives			
	A	B	C
Project Costs	\$10,931,000	\$10,931,000	\$10,931,000
City Contribution to Project	<-0->	<1,000,000>	<2,000,000>
Net Project to be Financed	10,931,000	9,931,000	8,931,000
Date of Financing	7/27/88	7/27/88	7/27/88
Land Acquisition	2/1/89	2/1/89	2/1/89
Construction Period	20 mos.	20 mos.	20 mos.
Start	5/1/89	5/1/89	5/1/89
End	1/1/91	1/1/91	1/1/91
Type of Financing	Cert. of Part.	Cert. of Part.	Cert. of Part.
Rating	Unrated	Unrated	Unrated
Average Interest Rate	8.25%	8.25%	8.25%
Life of Issue	30 yrs.	30 yrs.	30 yrs.
Principal Amount	\$11,495,000	\$10,345,000	\$ 9,200,000
Use of Funds from Issue:			
Construction and Land Acquisition	10,931,000	10,931,000	10,931,000
Less: City Contribution	<-0->	<1,000,000>	<2,000,000>
Interest Earned during Const.	<1,149,000>	<1,135,000>	<1,122,000>
Net Construction from Issue	9,782,000	8,796,000	7,809,000
Debt Service Reserve Fund	1,036,000	932,000	828,000
Funded Interest	-0-	-0-	-0-
Cost of Issuance	677,000	617,000	561,000
Principal Amount	<u>\$11,495,000</u>	<u>\$10,345,000</u>	<u>\$ 9,200,000</u>
Annual Cash Flow (Beg. FY 89/89)			
Average Net Debt Service	\$ 963,000	\$ 867,000	\$ 770,000
Less: Fund Earnings @ 9.2%			
\$2.5MM Fund	<230,000>		
1.5MM Fund		<138,000>	
0.5MM Fund			<66,000>
Net Cost to Saver Enterprise	<u>\$ 733,000</u>	<u>\$ 729,000</u>	<u>\$ 774,000</u>

Continued July 8, 1988

	Financing Alternative D
Project Costs	\$10,931,000
City Contribution to Project	<3,000,000>
Net Project to be Financed	7,931,000
Date of Financing	7/27/88
Land Acquisition	2/1/89
Construction Period	20 mos.
Start	5/1/89
End	1/1/91
Type of Financing	Cert. of Part.
Rating	Unrated
Average Interest Rate	8.25%
Life of Issue	30 yrs.
Principal Amount	\$ 8,055,000
Use of Funds from Issue:	
Construction and Land Acquisition	10,931,000
Less: City Contribution	<3,000,000>
Interest Earned during Const.	<1,109,000>
Net Construction from Issue	6,822,000
Debt Service Reserve Fund	726,000
Funded Interest	-0-
Cost of Issuance	507,000
Principal Amount	<u>\$ 8,055,000</u>
Annual Cash Flow (Beg. FY 88/89)	
Average Net Debt Service	\$ 676,000

On motion of Council Member Hinchman, Olson second, the City Council approved Seidler-Fitzgerald City of Lodi 1988 Wastewater Treatment Plant Expansion Project Financing Alternative "C", as shown above. The motion carried by unanimous vote of all Council Members present.

LDBA REQUEST TO
ALLOW HELICOPTER
RIDES AS PART OF
"DOWNTOWN DAYS"
DENIED

CC-6
CC-39

City Attorney McNatt advised the City Council that as part of the "Downtown Days" event scheduled for July 14, 15 and 16, 1988, it has been proposed that the City allow use of a municipal parking lot in the area for takeoffs and landing of helicopters providing rides to the public. At the meeting of July 6, 1988, the City Council directed the City Attorney's office to look into the proposal and to make recommendations. Because of the short response time involved, an in depth analysis was not possible. However, City Attorney McNatt indicated that a few points deserved attention:

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Mr. McNatt spoke with Duane Ferguson, California Department of Transportation, Aeronautics Division on Thursday, July 7, 1988. Mr. Ferguson informed me that there are no restrictions placed on such operations other than a requirement that if the take off and landing site is located within 1000 linear feet of a school, whether public or private, the proposal must be inspected and approved by his office. Depending on which site was proposed for utilization as a take off and landing area, this might be a problem since the St. Anne's school (kindergarten through 8th grade) and the United Methodist preschool operations are both located within that 1000 foot radius of certain City lots. It is unknown how long it would take CALTRANS to respond, inspect and approve such a project, but it would probably be difficult to accomplish before the proposed event.

In addition, the liability aspect of the proposal causes me concern. It was stated that the helicopter service carries a \$1 million liability policy; however, any major accident involving one of the helicopters could easily generate liability far in excess of this figure. Since the service would be operating with the cooperation of the City and utilizing a municipal parking lot for landings and take offs, the City would probably be included in any lawsuit, and it is at least possible (although the probability is uncertain) that the City might be deemed liable.

In summary, the City Attorney indicated that he would recommend that the Council decline the proposal for the present and allow more time to reach an informed conclusion on the matter. It is possible that all concerns stated could be addressed prior to the second annual "Downtown Days" if desired.

On motion of Council Member Hinchman, Snider second, the City Council denied the request.

ADJOURNMENT

The meeting was adjourned at approximately 7:42 a.m.

ATTEST:


Alice M. Reimche
City Clerk

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ADJOURNED REGULAR MEETING
LODI CITY COUNCIL
CITY HALL COUNCIL CHAMBERS
221 WEST PINE STREET
FRIDAY, JULY 8, 1988
7:42 A.M.

The Adjourned Regular meeting of the Lodi City Council was called to order at approximately 7:42 a.m. by Mayor Pinkerton.

ROLL CALL Roll call was recorded by the City Clerk as follows:

Present: Council Members - Hinchman, Olson, Snider and Pinkerton (Mayor)

Absent: Council Members - Reid

Also Present: City Manager Peterson, Assistant City Manager Glenn, City Attorney McNatt, and City Clerk Reimche

CLOSED SESSION
REGARDING LABOR
RELATIONS

The meeting was adjourned to a "Closed Session" regarding

CC-6
CC-34

1. Labor Relations

The meeting was reconvened at approximately 8:15 a.m.

No formal action was taken by the City Council.

ADJOURNMENT The meeting was adjourned at approximately 8:17 a.m.

ATTEST:

Alice M. Reimche
Alice M. Reimche
City Clerk